Good morning, my name is Marie Lenane and I am a Policy Analyst at the Executive Office of Health and Human Services (EOHHS). I am here to present staff testimony on the proposed amendments to 101 CMR 429.00: Rates for Certain Sexual and Domestic Violence Services. The amendments will update the rates for Certain Sexual and Domestic Violence Services to be purchased by the Department of Public Health (DPH) as Domestic Violence Community-Based Services, Intimate Partner Abuse Education Program, New Sexual Assault Nurse Examiner (SANE) Site Development, Rape Crisis Center Services and Sexual, and Domestic Violence Equity Services.

Massachusetts General Laws Chapter 118E, Section 13D, requires the Secretary of the Executive Office of Health and Human Services to establish by regulation rates of payment for social service programs that are reasonable and adequate to meet the costs incurred by efficient and economically operated social service providers. The effective date of the proposed amendments is July 1, 2021.

The rates for Certain Sexual and Domestic Violence Services contained in 101 CMR 429.00 are being updated to include an increase by a cost adjustment factor (CAF) of 2%, effective July 1, 2021. The CAF was determined by using baseline and prospective Massachusetts Economic Indicator data from IHS Economics – Fall 2020 Forecast, optimistic scenario data. The CAF reflects the period between the rates' base period (calendar year 2021, second quarter) and the prospective period of fiscal years 2022 and 2023. In addition to the FY20 CAF, the rates for all services have been updated to incorporate an employer and employee contribution required by the Massachusetts paid family and medical leave law. As part of the workforce initiative, all staff salaries have been benchmarked to the Massachusetts Bureau of Labor Statistics (BLS) median wages for 2017/2018, and the management salary has been benchmarked to the FY19 Uniform Financial Statements and Independent Auditor's Report (UFR) weighted average for management positions. The programmatic expenses have also been benchmarked to the FY19 UFR. The tax and fringe rate has been benchmarked to 22.40% and the administrative allocation has been benchmarked to 12%. The intimate partner's abuse education program unit has been redefined from a monthly FTE purchase rate to a monthly cohort rate. Finally, the separate workforce initiative rate has been removed from the regulation because the workforce initiative goal of the rate review has been met with the incorporation of BLS benchmarking into the rates.

The total fiscal impact from the proposed amendments to rates established by this regulation is approximately $2.6M, which represents an increase of 10.58% over FY120 spending of approximately $25M.

This concludes my testimony. Thank you.